

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELAM UTILITY COMPANY, INC.,)	
DELINQUENT PURCHASED GAS ACCOUNT)	CASE NO. 9580
WITH COLUMBIA GAS TRANSMISSION)	

O R D E R

On March 24, 1986, the Commission received a copy of a letter sent by Columbia Gas Transmission ("Columbia Transmission") to Elam Utility Company, Inc., ("Elam") regarding Elam's delinquent purchased gas account with Columbia Transmission. The letter stated that the delinquent amount as of March 21, 1986, was \$50,355.89, which was accruing interest at a rate of \$398.65 per month.

Due to the probability that a continued gas purchases delinquency may jeopardize Elam's ability to provide continuing service and may seriously injure Elam's credit standing, the Commission finds it is necessary for Elam to explain the reasons for the delinquency and its intentions toward resolution of the delinquency with Columbia Transmission.


If a settlement is reached concerning the delinquency with Columbia Transmission and documentation of the agreement, executed by both parties, is filed as a part of this case by June 4, 1986, the Commission may, at its discretion, cancel the show cause hearing established herein.

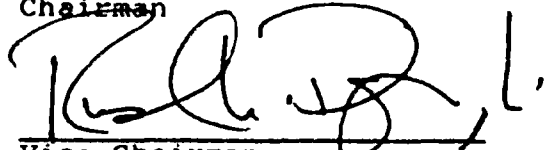
IT IS THEREFORE ORDERED that:

Elam shall appear before the Commission on June 11, 1986, at 11:00 A.M., Eastern Daylight Time, in Hearing Room No. 1 of the Commission's offices in Frankfort, Kentucky, for the purpose of presenting evidence related to the delinquent purchased gas account with Columbia Transmission and to demonstrate what actions will be initiated to assure continued operations and assure a good credit standing.

Done at Frankfort, Kentucky, this 27th day of May, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary